# IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In re: : CHAPTER 7

HONG WOO Y

CHONG WOO YI : BANKRUPTCY NO. 19-14866(MDC)

:

Debtor :

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## APPLICATION OF CHRISTINE C. SHUBERT, CHAPTER 7 TRUSTEE, TO EMPLOY RE/MAX 2000 AS BROKER PURSUANT TO 11 U.S.C. § 327 AND FED.R.BANKR.P. 2014

Christine C. Shubert, Chapter 7 Trustee (the "Trustee") for the estate of Chong Woo Yi (the "Debtor"), by and through her proposed counsel, Karalis PC, hereby makes this application to employ RE/MAX 2000 (the "Broker") as broker pursuant to 11 U.S.C. § 327 and Fed.R.Bankr.P. 2014 (the "Application"), and in support thereof, respectfully avers as follows:

## **JURISDICTION AND VENUE**

- 1. The Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).
- 2. Venue of this proceeding and this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
- 3. The statutory predicates for the relief sought herein are 11 U.S.C. §§ 327 and 328 and Fed.R.Bankr.P. 2014.

#### **BACKGROUND**

- 4. On August 1, 2019 (the "Petition Date"), the Debtor filed for protection under Chapter 7 of the Bankruptcy Code.
  - 5. On the Petition Date, the Trustee was appointed and is so acting.
- 6. The Debtor's bankruptcy estate owns residential real estate located at 15137 Kallaste Drive, Philadelphia, PA 19116 (the "Property").

- 7. The Trustee desires to employ the Broker to market and sell the Property. The Broker will seek a commission of 6% of the sales price of the Property after, or at, consummation of the sale upon application to this Court in accordance with <u>In Re Busy Beaver Building Centers</u>, Inc., 19 F. 3d 833 (3<sup>rd</sup> Cir. 1994).
- 8. In the event of a co-broker arrangement, the commission will be split equally between the Broker and the co-broker. As co-broker arrangements are typical in connection to the sale of real estate, the Trustee does not intend to file an application to employ the co-broker (if there is one) as a professional as the amount of commission paid for the services will not change.
- 9. The Trustee has made a careful and diligent inquiry into the qualifications and competence of the Broker and is advised that the Broker has experience in all areas of marketing and selling real estate and is capable of providing the proper services to the Trustee in connection with this matter.
- 10. The Trustee believes, and therefore avers, that the employment of the Broker is necessary and in the best interest of the Debtor's estate. A Verified Statement executed by Bonnie Frain asserting, among other things, that the Broker does not hold any interest materially adverse to the Debtor's estate and providing details of the engagement of the Broker is attached hereto as Exhibit "A" and made a part hereof.

## **RELIEF REQUESTED**

- 11. By this Application, the Trustee requests that the Court enter an order authorizing her to employ the Broker to market and sell the Property pursuant to 11 U.S.C. §§ 327 and 328 and Fed.R.Bankr.P. 2014.
- 12. The Broker has not entered into any agreement to share such compensation as it may be awarded herein except as permitted under 11 U.S.C. § 504(b).

13. Section 327(a) of the Bankruptcy Code provides, in relevant part, as follows:

Except as otherwise provided in this section, the trustee, with the court's approval, may employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the trustee in carrying out the trustee's duties under this title.

14. Bankruptcy Rule 2014(a) provides, in relevant part, as follows:

An order approving the employment of attorneys, accountants, appraisers, auctioneers, agents, or other professionals pursuant to § 327, § 1103, or § 1114 of the Code shall be made only on application of the trustee or committee. The application shall be filed and . . . a copy of the application shall be transmitted by the applicant to the United States trustee. The application shall state the specific facts showing the necessity for the employment, the name of the person to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the person's connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee. The application shall be accompanied by a verified statement of the person to be employed setting forth the person's connections with the debtor, creditors, or any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

- 15. Lastly, 11 U.S.C. § 328 provides in relevant part: "[t]he trustee, or a committee appointed under section 1102 of this title, with the court's approval, may employ or authorize the employment of a professional person under Section 327 or 1103 of this title, as the case may be, on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, or on a contingent fee basis." See, 11 U.S.C. § 328(a).
- 16. The Trustee contends that the Broker's employment is necessary and in the best interest of the Debtor's estate.

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WHEREFORE, the Trustee respectfully requests that this Honorable Court enter an order authorizing the employment of the Broker at such compensation as this Court allows effective as of the date of this Application and for such other and further relief as this Honorable Court deems just.

## Respectfully submitted,

## **KARALIS PC**

By: /s/ Robert W. Seitzer

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Dated: September 9, 2019